

USAID/Ethiopia
Operational Plan

FY 2006

June 2, 2006

Please Note:

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The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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Program Performance Summary FY 2005: . Program Performance Summary

Program Narrative (FY05): With over 77 million people, Ethiopia has the second largest population in sub-Saharan Africa. It ranks 170th out of 177 countries on the UN Human Development Index. Underlying challenges on policy and governance, poverty, food insecurity, and a tenuous political environment pose multi-dimensional challenges that underpin fragility and impede the country's development. Although there have been some changes in the last ten years designed to liberalize Ethiopia's economy and decentralize governance, this has not fully reversed a history of centralized autocracy and violent political conflict. Despite initial advances, the capacity and the freedom of action of civil society and political opposition remain limited.

The dramatic nature of Ethiopia's cycles of drought leading, at times, to famine is linked to the country's long history as an autocratic feudal state and socialist dictatorship. According to Nobel Prize-winning economist Amartya Sen, "No famine has ever taken place in the history of the world in a functioning democracy." The main source of fragility in Ethiopia, then, is the absence of accountable good governance that, in turn, affects the interplay of poverty and food insecurity. Large segments of the population remain vulnerable and reliant on food assistance, facing severe livelihoods crises. High rates of child malnutrition, with 50% of the population stunted, are a result and an indicator of the high level of food insecurity and the weakness of health sector service delivery and compromised nutrition systems. Rapid population growth is symptomatic of and perpetuates deep poverty. Increased population and poverty has led to small landholding soil degradation and a growing demand on natural resources, particularly forest and water resources. Underlying government policy issues also contribute to poverty and food insecurity, including: barriers to private sector entry, ineffective land policy, inequity between urban and rural social support, and restrictions on civil society and independent media.

The May elections and their aftermath reflect the political fragility in Ethiopia. Political fragility is manifested by extreme distrust and suspicion between the ruling and opposition parties and an apparent willingness on all sides to manipulate or bypass democratic means to maintain or achieve power. This breakdown in trust is apparent in government actions against civil society and independent media. Long-standing sources of fragility, linked to the absence of accountable governance, have both contributed to these election-related problems, and been worsened by them.

USAID, along with other donors, will increase the emphasis on governance and increasing democratic space in all programs where possible. Fundamental areas for increasing democratic space include supporting civil society, a functioning parliament, private sector-led economic growth, facilitating open communication through the media and other channels, and emphasizing grassroots empowerment in service delivery programs.

Despite historical constraints and current fragility, Ethiopia has many strengths that provide a basis for optimism regarding development. The Ethiopian people are resilient and concerted efforts by the Government of Ethiopia (GOE), in partnership with international donors, have resulted in significant progress in health (expanded access to essential services through the GOE's Health Extension Program, strong increases in family planning utilization) and education (increased primary school enrollment and improvements in primary teacher training and curricula). HIV/AIDS is now being recognized as a serious threat to the country and steps are being taken to slow its spread. The Productive Safety Net Program is addressing the neglected issue of chronic food insecurity, with the aim of ending livelihood disruption and the cycle of annual food assistance for chronic needs. Progress has been seen in some key policy areas such as agriculture and manufacturing.

Key Achievements by Strategic Objective

1. Anticipate and Manage Shocks (Strategic Objective 13): USAID support to improve GOE capacity to anticipate and manage shocks yielded several key achievements that saved thousands of lives in the two most recent droughts that occurred almost back-to-back. Improved contingency planning included health, water, and agricultural emergency needs, and involved donors and government stakeholders, who anticipated emergency needs well before they peaked. USAID's policy work led to a reform of the emergency response system to enable the GOE to differentiate between acute and chronic food insecure

populations, which allowed for more effective and appropriate targeting of assistance to each group. The successful completion of this strategic objective will enable the GOE's Disaster Preparedness and Prevention Agency (DPPA), its regional counterparts, and other line ministries to improve their ability to plan for and respond to emergencies. Livelihood approaches to understand needs will be the basis for assessments at the national level and will result in improved targeting, management of unpredictable emergency shocks and improved programming of both food and non-food resources.

2. Human Capacity and Social Resiliency (Strategic Objective 14): USAID's strategy for primary education and health is based on the premise that strengthening and decentralizing routine education and health services mitigates the impact of emergencies and prevents some of their serious consequences. USAID's investments in health and education are yielding notable results with decreases in fertility and child malnutrition and increases in school enrollment.

The Total Fertility Rate decreased slightly from 5.9 in 2000 to 5.7 in 2005. Urban fertility, though, fell from 3.3 births versus 2.4 births from 2000 to 2005. At the same time, use of modern contraceptive methods has more than doubled from 6 percent of currently married women in the 2000 EDHS to 13.9 percent nationally in 2005. National gross enrollment rates in grades 1-8 increased from 64.4 percent in 2003 to 77.7 percent in 2005. Increased community and parental engagement in education and cluster-based USAID interventions led to reduced drop out and grade repetition rates.

The USAID strategy establishes clearer links with emergency preparedness that include broader cross-sectoral interventions in nutrition, water, sanitation, and health education. The approach is closely linked to SO 13, Capacity to Anticipate and Manage through Shocks. While malnutrition among children, an indication of failing health services and chronic and acute food shortages, remains a significant problem in Ethiopia, the stunting rate in children under five years decreased from 52 percent in 2000 to 47 percent in 2005.

3. Capacity for Good Governance (Strategic Objective 15): Achieving success in the transition to multi-party democracy is among the greatest challenges facing Ethiopia. USAID support has directly contributed to progress in decentralized governance, in preventing and mitigating local conflict, and in improving some aspects of electoral administration. USAID support enabled the expansion of the GOE's budget management system to all regions and the establishment of a new budget and accounts information management system at the federal level. USAID-supported conflict prevention and reconciliation programs completed assessment and training phases and, in one regional state, successfully facilitated nine local peace agreements. Post-election violence demonstrates, though, the limitations on the ability of donors to positively engage the political process in the absence of true internal political will to support and sustain the democratic process.

4. Market-led Economic Growth and Resiliency (Strategic Objective 16): This strategic objective seeks to alleviate Ethiopia's fragility by addressing the chronically food insecure and supporting private sector market-led economic growth. USAID support led to progress in economic policy, agricultural productivity, agribusiness, markets and enterprise development, natural resources management, pastoralist livelihoods, and productive safety nets to transition from relief to development. Impressive gains were made in expanding market opportunities for agriculture, handicraft, and manufactured products (e.g., coffee, live animals and meat, oilseeds, textiles, and leather goods) and making credit available to agribusiness, cooperatives, and other entrepreneurs. Cooperatives continued to add members and provide a range of services including access to cheaper inputs, marketing of products at higher prices, savings and credit, and capacity building. A \$45 million portfolio of livestock and pastoralist projects was designed and launched. The productive safety net program, including the labor-based community public works and household livelihoods interventions, saved lives, protected assets, and made significant progress in improving household food security and income. All activities under this strategic objective have emphasized the role of women as being a key component of Ethiopia's economic growth.

5. Knowledge Management (Program Support Objective 17): This program support objective supports the utilization of knowledge management to enable internal capacity to share information on a wide range of effective relief and economic and social development interventions. USAID has successfully initiated

methodical support and monitoring of policy priorities identified as crucial to meet USAID objectives. Coordination on policy initiatives with other donors and the GOE has been institutionalized, mainly through the GOE's Sustainable Development Poverty Reduction Plan (SDPRP) process, with greater clarity on policy objectives, implementation modalities, and monitoring and evaluation. USAID supported a Citizen Report Cards survey by the Poverty Action Network for Ethiopia (an umbrella organization for local NGOs), which tracks the effectiveness of delivery of government services. Survey data has informed the review of the SDPRP I and planning for SDPRP II.

Integrated Programming

Gender: USAID places a high priority in targeting assistance to women in Ethiopia, who continue to face limited access to productive economic inputs and exposure to violence and harmful traditional practices. Training has taken place in over one-third of all districts in the country on gender mainstreaming including abandonment of harmful traditional practices and exposure to violence. Specifically, issues of trafficking, early marriage, female genital cutting, rape, abduction, violence against women, and inheritance laws are being discussed at national and local levels. Over 400 judges, prosecutors and law enforcement officials were trained to handle these issues in accordance with the newly revised Family Law and Penal Code. In FY 2005, over 12,000 child marriages were prevented in two regions. Support was provided to anti-trafficking efforts through communication and awareness programs and reintegration and employment programs.

USAID provided training for over 200 regional and woreda staff on the implementation of a gender sensitive Productive Safety Net Program. USAID is providing support to senior woman staff at DPPA, as well as the Head of the Women's Affairs Department, to obtain their Masters Degree in Humanitarian Affairs at Tufts University in Boston.

Capacity building and asset transfer activities target rural women to increase their income and diversify livelihoods through the PSNP. Provision of credit to rural women in micro enterprise development is extended through Rural Saving and Credit Institutions while loan guarantees for women entrepreneurs are extended through larger banks. USAID signed a \$10 million loan guarantee agreement with a local independent bank to provide short- to medium-term loans to small and medium entrepreneurs engaged in manufacturing, service and agricultural sectors. The loans will target businesswomen returning from abroad.

Public-private Partnerships: USAID is working actively to develop public-private partnerships. In collaboration with the Global Development Alliance Secretariat, USAID Ethiopia has facilitated and directed partnerships to leverage resources and bring the skills of diverse partners to bear on the development challenges facing Ethiopia. USAID has received and leveraged resources in support of the following alliances: Global Giving (charitable giving website development), leather manufacturing and market development with Nike, help to vulnerable orphans and children, support to the Ambassador's Girls' Scholarship Program, the Millennium Water Alliance and efforts to provide jobs to youth in collaboration with the Coca-Cola Alliance. Additionally, there are a number of other alliances being developed at this time.

Environmental Compliance: Strategic objective-level Initial Environmental Examinations (IEE) have been approved this year for each of the SOs outlined in this report. To promote sound environmental management, these IEEs invoke, as appropriate, (a) activity screening to ensure overarching compliance of all future activities under each SO, and (b) implementation using established best practices as provided in USAID/AFR Environmental Guidelines for Small Scale Activities in Africa. Further details about environmental management are contained in the recent Environmental Threats and Opportunities (ETOA) Assessment.

FY 2006 Program**SO: 663-013 Capacity to Anticipate and Manage through Shocks Increased****Improve Emergency Preparedness & Disaster Mitigation**

Improve emergency preparedness and disaster mitigation (\$1,000,000 DA; \$200,000 CSH). The DPPA, as the GOE's primary emergency management coordination agency for unpredictable disasters, requires a fully integrated early warning system to mobilize appropriate and timely responses to mitigate and address shocks. An improved emergency assessment approach that can detect changes in household food security or economic (non-food expenditure) status is the first step toward anticipating or responding to crises on an appropriate scale. USAID supports the government to undertake livelihood baseline data collection in Tigray and Amhara regions linked to the emergency needs assessment system. USAID funds training of federal staff on early warning systems to strengthen the capacity of the DPPA. A USAID-supported livelihoods integration unit based in the DPPA's Early Warning Department helps coordinate this with other livelihoods-based early warning systems both in Ethiopia and regionally. USAID also supports the establishment of a fully staffed Famine Early Warning System Network (FEWSNET) office through which government, donor, and other agency stakeholders benefit from early warning information and analyses.

The federal DPPA must be interconnected with its regional counterparts to facilitate information sharing and better communicate local-level early warning data in real-time. USAID, then, continues to support the regional connectivity initiative developed by the DPPA's information management service. USAID is improving local emergency management skills through short-term training in disaster management and is funding courses for senior government staff involved in response capacity. To increase DPPA's information management capacity, USAID supports the DPPA Information Center through a grant to the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA).

To improve the participation, coordination and engagement of other parts of government in crisis response activities, USAID supports contingency planning processes involving all appropriate agencies and key donors, emphasizing a bottom-up approach from regional and federal levels of government. Finally, selected crisis management policies must be reformed and implemented. With USAID support, multiple stakeholders are involved in a transparent review process that builds on lessons learned from recent evaluations. Activities under this objective are supplemented by the Office of Foreign Disaster Assistance (OFDA). Other government Ministries (water, health, agriculture) are supported to develop their own emergency response capacity. Principal contractors and grantees: DPPA, UNOCHA, and FEWSNET (primes).

FY 2007 Program**SO: 663-013 Capacity to Anticipate and Manage through Shocks Increased****Improve Emergency Preparedness & Disaster Mitigation**

Improve emergency preparedness and disaster mitigation (\$1,000,000 DA; \$200,000 CSH). USAID will continue supporting the federal and regional livelihoods teams to develop livelihoods baseline information supporting a national emergency needs assessment system. USAID will support the training of federal staff on early warning systems to strengthen the capacity of the DPPA. Contingency planning will continue to be emphasized at lower administrative levels, consistent with the policy of the government to decentralize decision-making to the district level. Lessons learned from a regional connectivity pilot exercise will be incorporated into an expanded and scaled-up initiative to include other regions and districts with the eventual aim of interconnecting all 262 emergency-prone districts into a single system. USAID will continue to fund training for staff at all levels, which will help to improve the GOE's integrated emergency response capacity and coordination ability. Principal contractors and grantees: DPPA and others to be determined.

FY 2006 Program**SO: 663-014 Human capacity and social resiliency increased**

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$10,416,000 DA). USAID is working to improve pre-service training and enhance support to primary schools. Teacher in-service training will be expanded. Self-instructional kits and supplementary material on HIV/AIDS, environmental, and civic education are being distributed to grades five through eight. Interactive radio instruction is reaching grade six nationally. Partnerships between communities and government are expanding to empower education ownership by communities. USAID promotes alternative education and adult literacy in disadvantaged and pastoralist areas. Principal contractors and grantees: Academy for Educational Development (AED), World Learning, Save the Children US, Tigray Development Association, and PACT (primes).

Improve Access To Clean Water & Sanitation

Improve Access to Clean Water and Sanitation (\$300,000 CSH; \$200,000 ESF). USAID supports access to clean water and sanitation through technical innovation and the operation and maintenance of water systems. Principal contractors and grantees: Millennium Water Alliance (MWA) (prime).

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health and Nutrition (\$5,427,000 CSH). USAID is expanding nutrition activities and community health promoters (to a total of 20,000 promoters). Programs to manage childhood diseases are being strengthened and health officers are being trained. USAID is helping to develop a health management information system and the implementation of health care financing policies. Principal contractors and grantees: John Snow Incorporated (JSI), Abt Associates, the Carter Center, and Pathfinder International (PI) (primes).

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$1,530,000 CSH). Reproductive health is to be expanded through referrals for antenatal and other services. A fistula project is building a network of services to provide access to treatment and repair. Principal contractors and grantees: PI, AED, Johns Hopkins University/Center for Communication Programs (JHU/CCP), Fistula Hospital (primes), and others to be determined.

Prevent & Control Infectious Diseases Of Major Importance

Prevent and Control Infectious Diseases of Major Importance (\$4,340,000 CSH). USAID supports expanded insecticide-treated nets subsidy programs for pregnant women. A new malaria strategy is directing future malaria programming. Tuberculosis (TB) programming in the private sector continues. The TB policy is being revised and services are being facilitated in 55 private clinics. USAID supports immunization days to help Ethiopia reach polio-free status. Principal contractors and grantees: AED, Abt Associates, and JHU/CCP (primes).

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS. See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

Support Family Planning

Support for Family Planning (\$19,773,000 CSH). USAID strengthens family planning services, procures contraceptives, and continues to support a national contraceptive social marketing program through the private sector. Activities to reduce harmful traditional practices are coordinated with primary and secondary schools. USAID supports the implementation of a new Ministry of Health logistics system. USAID is designing a new strategy, encompassing maternal and reproductive health, nutrition and family planning. Principal contractors and grantees: PI, World Learning, AED, Johns Hopkins (primes).

FY 2007 Program

SO: 663-014 Human capacity and social resiliency increased

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$4,000,000 DA). Support will continue for teacher education institutions and teacher in-service training. Supplementary educational materials will be developed and distributed. Support will be given to capacity building and school incentive award programs. Centers providing alternative basic education for out-of-school children and functional literacy for adults will continue to be strengthened. Principal contractors and grantees: To be determined.

Improve Access To Clean Water & Sanitation

Improve Access to Clean Water and Sanitation (\$300,000 CSH; \$200,000 ESF). This activity will build on and continue the FY 2006 activities. Principal contractors and grantees: Same as FY 2006.

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health and Nutrition (\$5,558,000 CSH). Immunization, Vitamin A supplementation, nutrition and childhood illness management activities will be expanded. USAID will continue to support community links in health, education, water, and sanitation. Community health promoters will be expanded to support the health services extension activities. Support will continue for the development of health management information systems, health sector reforms, and accelerated health officers training. Principal contractors and grantees: Same as FY 2006.

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$1,530,000 CSH). USAID will implement the new maternal/reproductive health and family planning strategy designed in FY 2006. Principal contractors and grantees: To be determined.

Prevent & Control Infectious Diseases Of Major Importance

Prevent and Control Infectious Diseases of Major Importance (\$4,200,000 CSH). USAID will implement the new malaria strategy as designed in FY 2006. TB outlets will be expanded. Principal contractors and grantees: Same as FY 2006.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS. See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

Support Family Planning

Support for Family Planning (\$17,025,000 CSH). Under the new maternal/reproductive health and family planning strategy, USAID will support contraceptive procurement and the implementation of the Ministry of Health logistics system. Principal contractors/grantees: To be determined.

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City Policy.

FY 2006 Program

SO: 663-015 Capacity for good governance increased

Mitigate Conflict and Support Peace

Mitigate Conflict and Support Peace (\$1,000,000 ESF; \$1,100,000 prior year ESF). USAID continues to strengthen local peace building efforts in selected regions and is expanding efforts with new activities into eastern Ethiopia. USAID is working to improve conflict management capacities, including early warning, and mediation services, within the government. Principal contractors and grantees: PACT and Mercy Corps (primes).

Promote and Support Credible Elections Processes

Promote and Support Credible Elections Processes (\$500,000 prior year ESF). USAID is providing technical assistance to support the National Election Board (NEB) on elections rules and procedures. Civic education, open debates, political party capacity building, training for women candidates, elections monitoring, and conflict prevention activities is being supported. Principal contractors and grantees: United Nations Development Program, The Carter Center and PACT (primes).

Protect Human Rights

Protect Human Rights (\$573,000 DA; \$460,000 ESF). USAID is addressing the sharp rise in human rights abuses and harassment of civil society organizations by working to put in place mechanisms to ensure adequate incident reporting and analysis is used to develop diplomatic initiatives and programmatic activities to increase public awareness and reduce impunity. Principal contractors and grantees: PACT (prime).

Reduce Trafficking In Persons

Reduce Trafficking In Persons (\$300,000 ESF; \$300,000 prior year ESF). USAID is focusing on prevention of trafficking, protection of vulnerable groups and victims, and prosecution of traffickers. Activities are raising awareness among the general population and vulnerable groups, focusing on creating incentives for school-age children to remain in school, and providing employment skills for women to encourage Ethiopia-based employment. USAID support contributes to strengthening the capacity of the Ministry of Justice and local civil society organizations to address trafficking. Principal contractors and grantees: International Organization for Migration (prime).

Strengthen Civil Society

Strengthen Civil Society (\$1,000,000 ESF; \$750,000 prior year ESF). USAID strengthens inclusive and informed debate to bring Ethiopians together to build consensus around important national and regional level issues. Activities target issues and processes that become the early focus of policy, legislation and development planning, and offer opportunities to establish initial traditions of real consultation and

consensus building. Principal contractors and grantees: PACT (prime).

Strengthen the Legislative Function/Legal Framework

Strengthen the Legislative Function/Legal Framework (\$1,000,000 ESF; \$500,000 prior year ESF). USAID, working closely with other donors, is improving the institutional capacities of the national and regional legislative bodies to fulfill their legislative and oversight roles and facilitate constructive ruling party-opposition relations. USAID supports institutional and human capacity building and the development of practices that promote constructive collaboration. Principal contractors and grantees: United Nations Development Program and Women's Campaign International (primes).

Support Democratic Local Government & Decentralization

Support Democratic Local Government and Decentralization (\$1,000,000 DA; \$760,000 prior year ESF). USAID continues to strengthen the capacity of decentralized public financial management for improved accounting, financial management, and financial control systems. USAID is enhancing government capacity to provide services, improve infrastructure, and promote economic growth. Principal contractors and grantees: Harvard University and International City/County Management Association (primes).

FY 2007 Program

SO: 663-015 Capacity for good governance increased

Mitigate Conflict and Support Peace

Mitigate Conflict and Support Peace (\$1,000,000 ESF). USAID will continue to strengthen local peace building efforts. USAID will work to improve conflict management capacities (including early warning) and inter-governmental collaboration. USAID will ensure program flexibility to address political, factional and ethnic conflict as necessary. Principal contractors and grantees: PACT (prime), others to be determined.

Protect Human Rights

Protect Human Rights (\$600,000 DA; \$500,000 ESF). USAID will continue to focus on increasing awareness and reducing incidences of individual and collective human rights abuse, through support for adequate incident reporting and analysis. Principal contractors and grantees: PACT (prime).

Reduce Trafficking In Persons

Reduce Trafficking In Persons (\$300,000 ESF): USAID will continue to focus on the prevention of trafficking, protection of vulnerable groups and victims, and prosecution of traffickers. USAID support will strengthen the Ministry of Justice and local civil society organizations to address trafficking. Principal contractors and grantees: To be determined.

Strengthen Civil Society

Strengthen Civil Society (\$1,000,000 ESF). USAID will continue to strengthen inclusive and informed debate to build consensus around important national and regional issues. Activities will focus on policy, legislation and development planning, and offer opportunities to build on traditions of real consultation and consensus building. Principal contractors and grantees: Same as FY 2006.

Strengthen the Legislative Function/Legal Framework

Strengthen the Legislative Function/Legal Framework (\$1,000,000 ESF). USAID will continue to improve the capacities of the national and regional legislatures to fulfill their legislative roles and to facilitate constructive ruling party-opposition relations. USAID will support institutional and human capacity building and development practices to promote collaboration between parties and effective consultations with constituents. Principal contractors and grantees: Same as FY 2006.

Support Democratic Local Government & Decentralization

Support Democratic Local Government & Decentralization (\$1,000,000 DA). USAID will continue to enhance capacities of selected city administrations to provide services, improve infrastructure, and promote economic growth. Principal contractors and grantees: International City/County Management Association (prime).

FY 2006 Program

SO: 663-016 Market-led economic growth and resiliency increased

Improve Economic Policy and the Business Environment

Improve Economic Policy and the Business Environment (\$2,921,000 DA). USAID is building institutional capacity, sponsoring research, and supporting activities to improve agriculture/rural development, advance Ethiopia's accession to the World Trade Organization, and enhance farmer land tenure. New livestock and pastoralist livelihoods programs support improved policies on animal disease control, livestock marketing, community animal health service delivery, and drought and rangeland management. A property rights and rule of law diagnosis is going to be undertaken to better integrate the poor into the mainstream economy. Principal contractors and grantees: International Food Policy Research Institute (IFPRI), Booz-Allen Hamilton, Associates in Rural Development (ARD), Texas A & M University, Tufts University, and the Instituto Libertad y Democracia (primes).

Improve Private Sector Competitiveness

Improve Private Sector Competitiveness (\$7,000,000 DA; \$50,000 prior year ESF). USAID supports the development of agribusiness, agricultural cooperatives, and small and medium enterprises through three Development Credit Authority (DCA) loan guarantees focusing on agriculture and manufacturing sectors. Prior year ESF is being used to provide small- and micro-credit loans to low income women through formal and informal credit mechanisms. Principal contractors and grantees: Ethiopian private banks, Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA), Development Alternatives Inc. (DAI), Land O'Lakes, Texas A & M University, International Executive Service Corps (IESC) (primes) and others to be determined.

Increase Agricultural Sector Productivity

Increase Agricultural Sector Productivity (\$3,000,000 DA). Ongoing food security and technology transfer activities is going to improve agricultural productivity, environmental management, and household resiliency to drought. A sheep and goat productivity program is improving animal health and introducing more productive breeds. USAID is supporting productive technologies in irrigation, horticulture, and dairy. Subject to funding availability, a small-scale irrigation and commercial agriculture program may be initiated in select regions. Principal contractors and grantees: Virginia Tech University, International Water Management Institute (IWMI), Cornell University, Prairie View A & M University, Langston University, Israeli MASHAV, CARE, and Save the Children U.S. (primes).

Protect and Increase the Assets and Livelihoods of the Poor

Protect and Increase the Assets and Livelihoods of the Poor (\$3,000,000 DA). Working directly with the government, USAID is supporting asset building and livelihood diversification to move households out of chronic food insecurity and into sustainable livelihoods. USAID supports the Productive Safety Net Program. A pastoralist livelihoods initiative is increasing capacity to cope with drought by linking early warning to development and relief efforts. Principal contractors and grantees: Catholic Relief Service (CRS), World Vision, Relief Society of Tigray, Save the Children U. S. and United Kingdom, Communities Habitat Finance, Food for the Hungry International (FHI), CARE, Mercy Corps, International Rescue Committee (IRC), Agricultural Cooperatives Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA), and Tufts (primes).

Provide Emergency Assistance

Provide Emergency Assistance. Where appropriate, USAID is responding to emergency food and non-food needs with emergency assistance. Principal contractors and grantees: Disaster Prevention and Preparedness Agency, World Food Programme (primes) and non-governmental organizations to be determined.

FY 2007 Program

SO: 663-016 Market-led economic growth and resiliency increased

Improve Economic Policy and the Business Environment

Improve Economic Policy and the Business Environment (\$2,210,000 DA). Continued support for agricultural sector policy/investment planning, land tenure, World Trade Organization accession, and livestock sectors. Principal contractors and grantees: Same as FY 2006.

Improve Private Sector Competitiveness

Improve Private Sector Competitiveness (\$7,000,000 DA). USAID will continue support for: agricultural cooperatives, agribusiness, pastoralists, industry/trade associations, small and medium enterprises, output market systems, animal export, and dairy sector development. Existing small and medium enterprises funded by the African Growth and Opportunity Act (AGOA)-Ethiopia Initiative may be expanded and support for commercial farming may be considered. Principal contractors and grantees: Ethiopian private banks, ACDI/VOCA, DAI, Land O'Lakes, Texas A & M, IESC (primes) and others to be determined.

Increase Agricultural Sector Productivity

Increase Agricultural Sector Productivity (\$3,500,000 DA). USAID will support community watershed management and the development of improved agricultural technologies. Support for livestock and pastoralists livelihoods programs will continue. Support will continue for productive agricultural technologies and practices in irrigation, horticulture, and dairy. Small-scale irrigation and commercial agriculture will be considered. Principal contractors and grantees: Virginia Tech, IWMI, Cornell, Prairie View A & M, Israeli MASHAV University, and Save the Children U.S. (primes).

Protect and Increase the Assets and Livelihoods of the Poor

Protect and Increase the Assets and Livelihoods of the Poor (\$3,500,000 DA). USAID will continue to protect the most vulnerable households under the safety net program. The pastoralist livelihoods initiative will continue to focus on livestock management capacity to manage drought and other hazards. Principal contractors and grantees: CARE, CRS, World Vision, Relief Society of Tigray, Save the Children

U.S. and United Kingdom, Communities Habitat Finance, FHI, Mercy Corps, IRC, ACDI/VOCA, and Tufts (primes).

Provide Emergency Assistance

Provide Emergency Assistance. Where appropriate, USAID will respond to emergency food and non-food needs. Principal contractors and grantees: Disaster Prevention and Preparedness Agency of Ethiopia, World Food Programme (primes) and non-governmental organizations to be determined.

Results Framework

663-001 Increased availability of selected domestically produced food grains

Program Title: Domestically produced food

663-002 Increased use of primary and preventive health care services

Program Title: Primary and preventative healthcare

663-003 Quality and equity improved in an expanded system of primary education

Program Title: Primary education

663-004 Increased access to and participation in a democratic system

Program Title: Democratic systems

663-005 Enhanced household food security in target areas

Program Title: Enhanced Household Food Security

663-007 Rural Household Production and Productivity Increased

Program Title: Food Security

663-007.1: Integration of food, livestock and factor markets increased

663-007.2: Competition in agricultural and output markets increased

663-007.3: Rural household cash income increased/diversified

663-007.4: Food, agriculture and environmental research systems in target areas strengthened

663-007.5: Dissemination of food, agriculture and environmental technology information in target areas improved

663-008 Improved Family Health

Program Title: Essential Services for Health

663-008.1: Increased use of high impact child survival interventions, including nutrition

663-008.2: Increased use of high impact reproductive health interventions, including maternal nutrition in focus regions and target areas nationwide

663-008.3: Reduced HIV/AIDS prevalence and increased mitigation of the impact of HIV/AIDS

663-008.4: Increased health sector resources and improved systems in focus regions

663-009 Quality and Equity in Primary Education System Enhanced

Program Title: Basic Education

663-009.1: Quality of professional education system enhanced

663-009.2: Teacher-learner support systems strengthened

663-009.3: Community-government partnerships in education strengthened

663-009.4: Systems for managing personnel, instructional materials, and monitoring and evaluation strengthened and used

663-010 More Effective Governance and Civil Society Developed

Program Title: Democracy and Governance

663-010.1: Civil society participation increased

663-010.2: Judiciary and respect for human rights strengthened

663-010.3: Public financial resources used more effectively

663-011 Mitigate the Effects of Disaster

Program Title: Mitigate the Effects of Disaster

663-011.1: Increased adoption of disaster preparedness measures

- 663-011.2: Targeted, timely and appropriate disaster response
- 663-011.3: Peace/stability in selected dispute affected areas promoted
- 663-011.4: Capacity of most vulnerable populations to make the transition to development improved

663-012 Improved Livelihoods for Pastoralists and Agro-Pastoralists in Southern Ethiopia
Program Title: Southern Tier Initiative

- 663-012.1: Pastoralists and agro-pastoralist incomes increased
- 663-012.2: Increased adoption of family health practices
- 663-012.3: Access to appropriate basic education increased
- 663-012.4: Traditional dispute resolution mechanisms enhanced

663-013 Capacity to Anticipate and Manage through Shocks Increased
Program Title: Anticipate and Manage Shocks

- 13.1: Integrated early warning systems strengthened
- 13.2: Government and partner response capacity improved
- 13.3: Selected crisis management policies reformed and implemented
- 13.4: Effective coordination mechanisms strengthened

663-014 Human capacity and social resiliency increased
Program Title: Human Capacity

- 14.1: Use of high impact health, family planning, and nutrition services, products, and practices increased
- 14.2: HIV/AIDS prevalence reduced and mitigation of the impact of HIV/AIDS increased
- 14.3: Use of quality primary education services enhanced

663-015 Capacity for good governance increased
Program Title: Governance Capacity

- 15.1: Accountability by regional and local governments improved
- 15.2: Civil society capacity to engage government strengthened
- 15.3: Mechanisms for conflict prevention and resolution improved
- 15.4: Women's participation in political processes expanded and enhanced

663-016 Market-led economic growth and resiliency increased
Program Title: Economic Growth

- 16.1: Selected essential policy reforms implemented
- 16.2: Selected input and product markets strengthened
- 16.3: Natural resource management and agriculture productivity improved
- 16.4: Livelihood options for the food insecure protected, expanded and diversified

663-017 Knowledge management coordinated and institutionalized
Program Title: Knowledge Management

- 17.1: Collaboration and coordination for support to strategic decisions enhanced
- 17.2: Ethiopian and international institutions contributing to decisions to reduce vulnerability, increase resiliency and promote growth
- 17.3: Information needed to manage shocks timely and appropriately disseminated
- 17.4: Rapid analysis and evaluation supports Mission program